

Exhibit 4

HOUSE BILL 525

I1, I2

7lr0642

By: **Delegate Sydnor**

Introduced and read first time: January 27, 2017

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Mortgage Lender Law – Mortgage Lender – Definition**

3 FOR the purpose of altering the definition of “mortgage lender” under the Maryland
4 Mortgage Lender Law to include a certain assignee or successor of a person who
5 makes a loan to any person and exclude a certain licensee; providing for the
6 construction of this Act; and generally relating to the Maryland Mortgage Lender
7 Law.

8 BY repealing and reenacting, with amendments,
9 Article – Financial Institutions
10 Section 11–501(j)
11 Annotated Code of Maryland
12 (2011 Replacement Volume and 2016 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
14 That the Laws of Maryland read as follows:

15 **Article – Financial Institutions**

16 11–501.

17 (j) (1) “Mortgage lender” means any person who:

18 (i) Is a mortgage broker;

19 (ii) Makes a mortgage loan to any person; [or]

20 (iii) Is a mortgage servicer; **OR**

21 **(IV) IS AN ASSIGNEE OR A SUCCESSOR OF A PERSON WHO:**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **1. MAKES A MORTGAGE LOAN TO ANY PERSON; AND**

2 **2. ACQUIRES THE MORTGAGE LOAN WHEN THE**
3 **MORTGAGE IS IN DEFAULT.**

4 (2) “Mortgage lender” does not include:

5 (i) A financial institution that accepts deposits and is regulated
6 under Title 3, Title 4, Title 5, or Title 6 of this article;

7 (ii) The Federal Home Loan Mortgage Corporation;

8 (iii) The Federal National Mortgage Association;

9 (iv) The Government National Mortgage Association;

10 (v) Any person engaged exclusively in the acquisition of all or any
11 portion of a mortgage loan under any federal, State, or local governmental program of
12 mortgage loan purchases; [or]

13 (vi) An affiliated insurance producer–mortgage loan originator
14 licensed under § 11–603.1 of this title; **OR**

15 **(vii) A COLLECTION AGENCY LICENSED UNDER § 7–301 OF THE**
16 **BUSINESS REGULATION ARTICLE.**

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act may not be construed
18 to imply that a purchaser of defaulted mortgage loans was not required before the
19 enactment of this Act to be licensed as a mortgage lender or a collection agency.

20 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 October 1, 2017.